

FY2013 BUDGET WORKSHOP #2

May 8, 2012



John McDonough
City Manager



Agenda for Budget Workshop #2

3

- Review of Budget Principles and Goals
- Review and Validate Planning Assumptions
- Review of Undesignated Fund Balance
- Review of YTD FY12 Financials
- Review of FY13 Revenue/Expenditure Projections
- Review Capital Project Ranking Exercise



FY13 Budget Calendar

March – April	Departmental Budget Hearings/Finance Review Phase
April – May	Senior Management/Mayor Review Phase
May 1	Budget Workshop #1
May 8	Budget Workshop #2
May 22	City Council Budget Presentation (Proposed Budget)
June 5	1 st Public Hearing on FY13 Budget and Discussion
June 19	Final Public Hearing and Adoption by City Council



Workshop Goals

5

- Receive feedback and direction from City Council as we develop the FY13 Budget
- Review and validate FY13 planning assumptions
- Understand public safety, public works, community development and parks priorities as part of an overall Citywide service delivery and capital program



Budget Principles

6

- Conservatively determine revenue and expenses.
 - Solid estimating effectively neutralizes pressures to inflate revenue estimates to cope with budgeting pressures.
- Do not use one-time revenue sources for ongoing expenses.
 - When a non-recurring source of revenue is used to fund an ongoing expense, an "automatic unfunded increase" is built into the budget for the following year.



Adopted Priorities

7



SANDY SPRINGS
GEORGIA
sandyspringsga.gov

FY13 Planning Assumptions

8

- Decrease of general liability insurance costs \$200,000
- Fixed Cost of General Government Services Contracts \$12,363,570
- Renewal of subcontractor agreements at same rate \$5,125,000
- E-911 Center operation \$900,000
- Continued EMS subsidy for enhanced service \$450,000
- Carry forward funding for Municipal Complex master plan
- Continued funding for CIP-T/P/F programs
- Continued funding for Stormwater Infrastructure Improvements \$2,500,000
- Continued funding for City Hall land acquisition \$5,000,000
- Funding for Downtown Property Acquisition/Infrastructure Improvements \$4,000,000
- Funding for Public Safety Radio System \$2,000,000
- Continued funding for Police Fleet Replacement Program \$703,500
- Vehicle Acquisition Costs \$135,000 (2 Fire, 2 CD)
- Continued funding for Community Events/Non-profits \$280,000
- Funding for Recycling Program/Hazardous Waste \$130,000

SANDY SPRINGS
GEORGIA
sandyspringsga.gov

Fund Balance Reserve

9

- Adopted as part of the approved Budgetary Policy
- Fund Balance is the cash reserve and working capital to cover the following:
 - Expenditures caused by unforeseen emergencies
 - Shortfalls caused by revenue decline
 - Eliminate short-term borrowing for cash flow purposes
 - Reserve policy calls for no less than three (3) months of operating and debt expenditures (25%)



Projected Undesignated Fund Balance

10

June 30, 2011 Fund Balance	\$ 21,454,469
Add: FY12 Projected Revenue	81,087,884
Less: FY12 Projected Expenditures	71,287,906
Subtotal	31,254,447
Less: Fund Balance Reserve (25.5%)	(20,000,000)
YEAR END UNDESIGNATED FUND BALANCE	\$ 11,254,447



REVIEW OF FY12 YTD FINANCIALS



Revenue FY2012 vs. FY2013

12

	2012 Projected Actual	2013 Budget	Variance
Property Taxes	\$27,223,621	25,676,000	(1,547,621)
Local Option Sales Tax	21,403,616	20,500,000	(903,616)
Business & Occupational Tax	7,688,408	7,600,000	(88,408)
Franchise Fees	9,650,016	9,150,000	(500,016)
Insurance Premium Taxes	4,402,100	4,200,000	(202,100)
Other Revenues	10,720,123	9,833,884	(886,239)
Total Revenues	\$81,087,884	\$76,959,884	(\$4,128,000)

SANDY SPRINGS
GEORGIA
sandyspringsga.gov

Expenditures FY2012 vs. FY2013

	2012 Projected Actual	2012 Budget	2013 Budget	Variance
City Council	140,713	157,364	158,691	0.84%
City Manager	624,908	812,339	808,307	-0.50%
City Clerk	124,750	148,830	181,859	22.19%
Finance	2,144,379	2,200,364	2,198,684	-0.08%
City Attorney	749,000	808,000	808,000	0.00%
Information Services	1,542,422	1,655,295	1,691,215	2.17%
Facilities Management	1,648,110	1,625,800	1,658,682	2.02%
Communications	1,347,663	1,423,913	1,600,436	12.40%
General Administration	1,970,562	3,026,000	2,243,442	-25.86%
Municipal Court	1,368,951	1,527,041	1,685,585	10.38%
Police	17,162,092	18,521,820	19,184,302	3.58%
Fire	10,840,267	11,082,562	11,428,752	3.12%
Emergency Management	1,511,631	1,553,700	1,553,700	0.00%
Public Works	9,568,865	9,836,705	9,978,765	1.44%
Recreation and Parks	2,571,988	2,989,608	2,999,742	0.34%
Community Development	2,618,907	3,096,401	3,602,312	16.34%
Contingency	-	520,560	525,000	0.85%
Matching Grants	2,500	150,000	150,000	0.00%
Transfers to Other Funds	15,350,198	15,350,198	15,956,878	3.95%
Total General Fund:	71,287,906	76,486,500	78,414,353	2.52%

Task Order Analysis

Firm/Work Package	NTE Escalator	Actual Escalator	FY12 Amount	FY13 Amount	Difference
Finance/ST Services	2.50%	2.50%	\$1,593,201.00	\$1,633,011.00	2.50%
Information Services/InterDev	5.25%	3.50%	1,136,751.00	1,176,537.49	3.50%
Communications/Collaborative	2.20%	2.20%	594,413.00	502,200.00	(15.51%)
Municipal Court/Jacobs	3.00%	1.00%	932,986.40	1,082,368.00	16.01%
Call Center/CH2MHill	n/a	3.50%	765,252.00	792,036.00	3.50%
Public Works/URS	4.00%	3.50%	3,086,205.21	3,318,265.00	7.52%
Recreation/Jacobs	3.00%	1.00%	1,013,438	1,023,571.00	1.00%
Community Development/Collaborative	2.20%	2.20%	2,452,225.00	2,835,562.00	15.63%
Total		3.14%	\$11,574,471.61	\$12,363,550.49	6.82%

14

Review of Potential FY13 Citywide Capital Projects

Citywide Capital Projects (Consolidated Rankings)

1. RANK CATEGORIES		
2. Rank Projects Within Each Category		
PRIORITY	Rank	Est. Allocation
Abernathy Greenway Park		750,000
Big Trees Forest Preserve		150,000
Bridge and Dam Maintenance Program		200,000
Indoor Tennis Court Facility		1,000,000
Intersection Improvement Program		500,000
Lost Corner Preserve		200,000
Major Capital Projects	(Rank 1 - 8)	7,070,000
City Gateway Beautification		1,000,000
Glenridge Drive Widening with Trail		150,000
Glenridge Drive at Roswell Road		2,500,000
Northridge Interchange Beautification		500,000
Plan 2040		270,000
Spalding Drive at Mount Vernon Road ROW		750,000
Riverside Drive Shoulder/Slope Repair		300,000
Roswell Road Streetscape (City limit north to Long Island)		1,600,000
Old Riverside Drive Property		1,500,000
Pavement Management/Resurfacing		3,000,000
Sidewalk Program		500,000
Traffic Management System		550,000
Total		\$15,420,000

15

Review of Potential FY13 Citywide Capital Projects

Citywide Capital Projects (Consolidated Rankings)

1. RANK CATEGORIES		
2. Rank Projects Within Each Category		
PRIORITY	Rank	Est. Allocation
1	Pavement Management/Resurfacing	3,000,000
2	Major Capital Projects	(Rank 1 - 8)
	Glenridge Drive at Roswell Road	1,000,000
	City Gateway Beautification	1,000,000
	Northridge Interchange Beautification	500,000
	Roswell Road Streetscape (City limit north to Long Island)	1,600,000
	Glenridge Drive Widening with Trail	150,000
	Riverside Drive Shoulder/Slope Repair	300,000
	Plan 2040	270,000
	Spalding Drive at Mount Vernon Road ROW	750,000
3	Old Riverside Drive Property	1,500,000
4	Intersection Improvement Program	500,000
5	Sidewalk Program	500,000
6	Abernathy Greenway Park	750,000
6	Traffic Management System	550,000
8	Bridge and Dam Maintenance Program	200,000
9	Big Trees Forest Preserve	150,000
10	Lost Corner Preserve	200,000
11	Indoor Tennis Court Facility	1,000,000
Total		\$13,920,000

16

Recommended FY13 Citywide Capital Projects

Citywide Capital Projects (Consolidated Rankings)

1. RANK CATEGORIES				
2. Rank Projects Within Each Category				
PRIORITY		Rank	Est. Allocation	Amount
1	Pavement Management/Resurfacing		3,000,000	3,000,000
2	Major Capital Projects	(Rank 1 - 8)	5,570,000	5,570,000
	Glenridge Drive at Roswell Road	1	1,000,000	
	City Gateway Beautification	2	1,000,000	
	Northridge Interchange Beautification	3	500,000	
	Roswell Road Streetscape (City limit north to Long Island)	4	1,600,000	
	Glenridge Drive Widening with Trail	5	150,000	
	Riverside Drive Shoulder/Slope Repair	6	300,000	
	Plan 2040	7	270,000	
	Spalding Drive at Mount Vernon Road ROW	8	750,000	
3	Old Riverside Drive Property		1,500,000	1,500,000
4	Intersection Improvement Program		500,000	500,000
5	Sidewalk Program		500,000	500,000
6	Abernathy Greenway Park		750,000	750,000
6	Traffic Management System		550,000	550,000
8	Bridge and Dam Maintenance Program		200,000	
9	Big Trees Forest Preserve		150,000	
10	Lost Corner Preserve		200,000	
11	Indoor Tennis Court Facility		1,000,000	
Total			\$13,920,000	\$12,370,000

17

DISCUSSION

